



Third Party Certification: implementation challenges in private-social partnerships

Joanna Vince

To cite this article: Joanna Vince (2018): Third Party Certification: implementation challenges in private-social partnerships, Policy Design and Practice, DOI: [10.1080/25741292.2018.1541957](https://doi.org/10.1080/25741292.2018.1541957)

To link to this article: <https://doi.org/10.1080/25741292.2018.1541957>



© 2018 The Author(s). Published by Informa UK Limited, trading as Taylor & Francis Group.



Published online: 28 Nov 2018.



Submit your article to this journal [↗](#)



View Crossmark data [↗](#)

Third Party Certification: implementation challenges in private-social partnerships

Joanna Vince^{a,b} 

^aSchool of Social Sciences, University of Tasmania, Launceston, Australia; ^bCentre for Marine Socio-ecology, University of Tasmania, Hobart, Australia

ABSTRACT

Third party certification organizations provide opportunities for market and community/non-state actors to collaborate with minimal state involvement. This new hybrid form of collaborative governance raises questions about accountability and responsibilities of private-social partnerships and the challenges to policy implementation. Emerging market based approaches are driven by shareholder expectations as well as commitment to corporate social responsibility, whereas community engagement is increasingly centered on the questions of social license to operate. This paper argues that a community's lack of trust of industry and/or certification organizations and assessments hinders the collaborative process. It is found that community groups can grant or withhold social license to operate, ceasing industry progress despite its commitments to corporate social responsibility policies and certified standards.

ARTICLE HISTORY

Received 21 June 2018

Accepted 25 October 2018

KEYWORDS

Third party certification; collaborative governance; private-social partnerships; trust; social license to operate; corporate social responsibility

1. Introduction

Collaboration between the actors of the three social mechanisms or modes of governing (community, market and the state) can increase efficiency, flexibility, and innovation amongst state and non-state actors (Sørensen 2012; Hartley, Sørensen, and Torfing 2013). The relationships and types of governance arrangements that result from the modes include – market and the state (private-public); community and the state (social-public); market and community (private-social); and networks (private-public-social); (Steurer 2013). This “social” part of the private-social partnership, the community mode of governance is made up of a multitude of components. These include broader/wider communities that are made up of local communities, consumers, the international community, non-state actors such as the media, and NGOs. Third party assessment and certification organisations, also known as non-state market driven NSMD actors (Auld et al. 2009; Cashore 2002), are involved in private-

CONTACT Joanna Vince  Joanna.vince@utas.edu.au  Politics and International Relations Program, School of Social Sciences, University of Tasmania, Locked Bag 1340, Launceston, Tasmania, 7250, Australia.

© 2018 The Author(s). Published by Informa UK Limited, trading as Taylor & Francis Group.

This is an Open Access article distributed under the terms of the Creative Commons Attribution License (<http://creativecommons.org/licenses/by/4.0/>), which permits unrestricted use, distribution, and reproduction in any medium, provided the original work is properly cited.

social partnerships that become a form of hybrid governance (Lemos and Agrawal 2006).

State based governance has traditionally dominated in the management of natural resources. This regulatory framework, however, has experienced difficulties and challenges with the implementation of sustainable, conservation measures, especially in the management of fisheries and aquaculture (Vince and Haward 2017a, 2017b). As a result, alternative tools and approaches, including external third party assessment and certification systems, have been developed to address perceived regulatory failure, including economic and community based management. External third party certification organizations certify industry against high environmental standards and aim to give the consumer the confidence that they are buying and consuming environmentally sustainable produce (Gale and Haward 2011).

These approaches step outside state based governance and address market and consumers directly through product certificates and ecolabels (Potts and Haward 2007). Certification and labelling initiatives have adjusted the way products are viewed and valued in the market (Teisl, Roe, and Hicks 2002) while encouraging industry best practices that influence shareholders and other market actors. Moreover, they can add another layer of legitimacy for community groups in providing their social license to operate (SLO). SLO is an intangible, unwritten and impermanent social contract between industry and social groups (Parsons and Moffat 2014).¹ Although self-regulatory industry measures, policies and standards can also be effective in environmental governance, they are less so than those developed by third party certification organizations (Abbott 2012). Mutual interdependence of non-state and market based actors is a dominant feature of the private-social relationship.

This paper examines the collaborative efforts between third party assessment and certification organizations, other non-state actors and the state. It begins by addressing hybrid governance and collaboration followed by community acceptance and trust. It examines Australia's most valuable fishery – the salmonid aquaculture industry – a case which demonstrates the lack of trust where stakeholders, environmental NGOs and local communities are at odds over the industry's operations and environmental impacts. Companies within the fishery are also certified, or in the process of being certified, yet this has not swayed the community to grant social license or to trust the industry. It ends with an examination of implementation challenges where community acceptance and trust are critical conditions in for a successful collaborative implementation process. The challenges for industry and third party certifiers is the lack of community support and trust which is influenced by powerful non-state actors such as the media and NGOs.

2. Hybrid governance and collaboration

Governance in the management of natural resources has become increasingly complex over the last few decades. Collaboration and integration across and between

¹Social license is a "collective set of expectations on organisations beyond what is legally prescribed" (Emtairah and Mont 2008). Since SLO is not a formal or legal 'license' but intangible and fluid, it can be contested at any time. Community grants or withholds social license based in its attitudes, shared interests, values and beliefs. This process can be dynamic and unpredictable in nature, as the community can be swayed by a myriad of actions and decisions by industry, government and non-state actors.

different sectors and jurisdictions (vertical and horizontal) has been difficult to achieve, and this process has revealed new actors and relationships that do not fit the traditional top down regulatory approach to governance. Importantly, it has demonstrated that the sectors themselves have increasing challenges with market and shareholder expectations; their relationships with non-state actors and the wider community; and the implementation of ecosystem based management strategies and sustainable practices.

This has resulted in a movement from regulatory governance arrangements to a hybrid form of governance which is better adapted to complex arrangements and relationships, where multiple levels and sectors are involved (Gale and Haward 2011; Howlett and Ramesh 2016). In a hybrid governance arrangement, governmental actors are one of many sources in the decision making process. Others include non-state actors such as civil society organizations, NGOs, associations and private businesses (Alexander, Andrachuk, and Armitage 2016). The hybrid form of governance utilizes these relationships and gathers support from groups in ways that the traditional state centered approach is unable to do so through the establishment of shared interests and values. Each actor has diverse interests, capabilities and their expectations of accountability can vary.

Hybrid arrangements are present in co-management, private-public partnerships and private-social partnerships (Lemos and Agrawal 2006). They each have similar characteristics: “non-hierarchical steering” (Bäckstrand et al. 2010); they are voluntary to join; and market driven (Auld et al. 2009). Unlike in public-private partnerships, the community in private-social partnerships is a powerful actor and it is the relationship between the market and the community that has allowed new actors to participate and steer decision making.

Different combinations of hybrid partnerships illustrate the “fast changing nature” of environmental governance and that no single agent is able to solve the often complex, multifaceted problems (Lemos and Agrawal 2006). These hybrid arrangements can also create challenging conditions with regard to role and responsibilities of the actors involved; questions of accountability, check and balances, and lack of transparent information (Alexander, Andrachuk, and Armitage 2016). Often actors within hybrid arrangements volunteer, are co-opted or mandated to self-regulate. The state takes on a subordinate, supporting or parallel role or a “shadow of hierarchy” (Thomann 2017).

Third party non-state actors have long been active in debates over sustainable resource exploitation. These actors include producer-based self-certified approaches through to rigorous third party independent certification, using processes external to, and separate from, the producer/industry. With the development of third party assessment and certification of sustainable resources management, these actors have become significant players in rule making (Vandergeest, Ponte, and Bush 2015) and governance.

Third party certification bodies have taken over the regulatory roles of the state because it does not have the capacity to effectively or efficiently develop, deliver and monitor the standards that industry and the community are seeking in sustainable environmental management (Howlett and Ramesh 2016). That is not to say the state

is completely absent from decision making over resource management – it provides, *inter alia*, criminal, environmental and industrial laws and guidelines, site licenses, and in some cases it even subsidizes industry activities. But the traditional hierarchical form of governance cannot provide the services of third party certification organizations. It is here where there is a lack of state capacity that third party certification organizations fill a void in the regulatory gap that the state has difficulty providing.

Third party certification organizations can be classified as being part of “private co-regulation” (Steurer 2013), “private governance” (Gulbrandsen and Auld 2016), and/or as being “network-market/market-network” actors (Howlett and Ramesh 2016). While it is voluntary for industry to be certified, once the certification process is completed industry must adhere to binding rules (Bernstein and Cashore 2007) and third party certifiers must constantly review and uphold these rules as a governing body. To do this, collaboration and networking become key roles for the organizations in co-regulation (Steurer 2013).

The “private” part of the private-social partnership, the market, is essential for the operation, legitimacy and continuity of third party certification organizations. According to Auld (2010) certification schemes have four features: have logos or eco-labels targeted at the consumer; inspection and monitoring of the accreditation standards; governance structures and procedures that include “rules for membership, decision-making, setting and revising standards, accrediting auditors, and addressing and resolving disputes”; and social and environmental standards measuring the impacts of production and life cycle of the product.

To be third party certified, companies voluntarily apply to be assessed. Independent certifiers then assess and certify the product against a set of standards. There is a fine line in establishing these standards – if they are too low the objectives are meaningless (Naylor, Eagle, and Smith 2003); if they are too high participation rates tend to be low and the scheme becomes unattainable. The companies are then audited for their compliance with the standards. Standards provide a base for assessment assuring that the activity can be continued indefinitely at a reasonable level; they maintain and seek to maximize ecological health and abundance; and they ensure that the company is managed and operated in a responsible manner, in conformity with local, national and international laws and regulations. In addition, standards can help assure present and future economic and social options and benefits while activities are conducted in a socially and economically fair and responsible manner (Potts and Haward 2007).

The certified company can then apply the eco-label provided by the scheme to market their product. They can also be used to distinguish their product from others in the market. Labelling is quick, efficient and more stringent than regulatory provisions (McLaren 2011). The eco-labels themselves are marketable objects and can be defined “by rules of exclusivity” through the marketization of social and environmental values (Foley and Hébert 2013).

The certification process provides the “strongest regulation” and “political legitimacy” through the social acceptance by the broader community of the rules and standards (Bernstein and Cashore 2007). The legitimacy of third party certifiers can be removed at any time if the community decides not to accept the standards or

organization. This can be achieved when the community decides to keep or withhold social license to operate, affecting not only the third party certification organizations but also industry. The community can also influence the state to step in and regulate. State involvement would most likely only occur in the most critical of times such as a breakdown of the private–social relationship due to corruption or ineffectiveness of standards. Certifiers are granted authority through the market and they are considered “new markets of governance” through their operational activities and contractual arrangements (Foley and Hébert 2013).

3. Community acceptance and trust

In private–social partnerships, consumers are located in the broader community and they have the ability to steer the market. The influence of the community has increased through hybrid and network arrangements and/or engagement in policy and decision-making, most notably through its ability to impose or remove social license. The community has the power to do this by utilizing their shared interests and values (Alexander, Andrachuk, and Armitage 2016) in their approach to an issue or activity. To maintain their legitimacy, industry actors recognize the importance of holding on to their social obligations beyond their regulatory requirements. SLO is also not a precondition to carry out a legal activity, but it does assist in gaining legal approval if the situation is legally or politically uncertain (Haward et al. 2013). Having both social and legal approval through a social license to operate provides industry legitimacy for their activities.

Legitimacy is referred to as the “minimum” requirement for achieving social license. Community acceptance and trust offers stronger and higher levels of social license (Parsons and Moffat 2014; Thomson and Boutilier 2011) and most importantly the capacity for collaboration (Ansell and Gash 2008; Edelenbos and van Meerkerk 2017; Emerson, Nabatchi, and Balogh 2012; Howlett and Ramesh 2016). Inclusion and diversity of different actors are key normative and instrumental aspects of collaborative governance. The combined power of different participants that “come to the table” can result in success or failure in collaboration (Emerson, Nabatchi, and Balogh 2012). However, various actors may not “come to the table” due to limited motivation, an absence of common ground (Edelenbos and van Meerkerk 2017), and lack of trust (Ansell and Gash 2008; Emerson, Nabatchi, and Balogh 2012; Huxham et al. 2000; Leach and Sabatier 2005; Vangen, Hayes, and Cornforth 2015).

Trust occurs when one actor is open and willing to assume a vulnerable position of another actor, each actor has an expectation of the other’s behaviour, and each takes the other actor’s interests into account. Or as Klijn, Edelenbos, and Steijn (2010) define it – “trust can be defined as a stable positive expectation that actor A has (or predicts he has) of the intentions and motives of actor B in refraining from opportunistic behavior, even if the opportunity arises.” Trust is not separate from dialogue and negotiations, however, it is essential for building relationships before key actors are influenced or manipulated by other interests (Ansell and Gash 2008). Trust is an important characteristic of the quality of relationships, enhances the chances for cooperation and stimulates the development of common ground (Edelenbos and van

Meerkerk 2017). Social learning is an outcome of gaining trust in the collaborative process (Siddiki, Kim, and Leach 2017) and can be beneficial to all actors involved. Trust is therefore essential for establishing SLO, in building upon legitimacy, and for producing successful collaboration.

A powerful, non-state actor that is part of the broader community and is capable of steering trust is the media. They are used by stakeholders to steer decision making and vice versa. The media has moved beyond the lobbyist role in some natural resource debates and has influenced political outcomes and agenda setting (Abbott 2012; Ader 1995; McCombs, 2014; Schäferhoff et al. 2009). They are not “neutral information transmitters” (Korthagen and Van Meerkerk 2014) and can shape the information they utilize. The media has the ability to influence community views, shared interests and values, and can affect how industry is scrutinized through social license (Lester 2016). The role of activism has also been changed due to the media, and in particular due to the ease of access to media outlets (Cullen-Knox et al. 2017). Consequently, social license has moved from being a metaphor to a useful tool to bring about policy change (Boutilier et al. 2012). The state relies on the media to maintain community acceptance and of its policies, and relationships with industry and third party certifiers.

Industry can also obtain a social license to operate through CSR (Gjølberg 2009). There are key differences between CSR and SLO (Parsons and Moffat 2014). For instance, communities and consumers can instigate changes to corporate policies and products by granting or withholding SLO (Morrison 2014). Industry, on the other hand controls its CSR policies and activities. Shareholder influence and stock exchange listing can have a positive impact on sustainability practices. Publicly listed companies endure more scrutiny from the public, government and shareholders than as private companies.

Community support through SLO and regulatory processes can both drive industry CSR decisions. Industry uses CSR policies to demonstrate their commitment to social and environmental issues. By doing so, they build consumer confidence in the associated companies and brands. The ultimate achievement for industry that is invested in CSR is community as well as shareholder support. CSR policy is further strengthened when industry is partnered with certification schemes. In some cases, the public is more likely to accept a project that is certified by a third party certification organization than one that is not (Auld et al. 2009). However, there can be exceptions (see Vince and Haward 2017b). CSR policies are therefore also useful business tools that contribute to sustainability and economic outcomes.

What companies decide to do with regard to their CSR will often be influenced by the way they respond and interpret the social license terms and that by empowering the social license may result in a powerful leverage for large corporations (Gunningham 2009). There are, however, negative consequences to CSR policies that do not quite achieve their social or environmental objectives. “Greenwashing” is known to occur where products are marketed as being sustainable but continue to do environmental damage (Gale and Haward 2011). Communities may become resistant to projects and NGOs can utilize these actions to threaten the withdrawal of social license (Owen and Kemp 2013). In other instances, communities decide to give

contingent consent where they accept some of the negative consequences resulting from industry activities because the positives are too valuable (Levi 1997; Owen and Kemp 2013).

Trust is the connecting element and critical condition for success in private-social partnerships, whether through social license, CSR, or collaboration. Industry needs to trust the third party certifier and vice versa; shareholders need to trust the industry; and the community needs to trust both the industry and certification organization and scheme. States also require community and industry trust in order to establish overarching regulatory frameworks for industry operations. However, the lack of trust can also result in failure to collaborate in the first place.

4. Australian salmonid aquaculture

The Australian salmonid aquaculture industry has increased in value by 194% in the last decade (ABARES 2015). The industry is located in the small island state of Tasmania and it has immense economic and social significance. The communities located near the salmon farms are varied, with aquaculture operations providing key base for employment but also the home to many who are not dependent on such employment. The broader community's concerns are focused on the farming practices, and the environmental, social and economic impact of the industry. As a consequence, it has heavily influenced the industry's growth and capabilities (Vince and Haward 2017b).

In response to the community's concerns, a Tasmanian government Senate Committee launched an inquiry into Tasmanian Fin Fisheries practices. The Tasmanian Salmonid Growers Association that represented the largest Tasmanian salmon company Tassal testified that the environmental impact of the salmon farms was localized. A review commissioned by the Tasmanian Department of Primary Industries, Parks, Water and Environment was presented at the inquiry supporting the Association's claims that there was no scientific evidence to support that the salmon farming practices were affecting the abalone industry (ABC News 2015; Buxton 2015). However, other scientific studies from NGOs have contradicted these assessments and the impact of salmon farming on the environment.

The success of the industry in Tasmania and its rapid expansion has meant that new sites need to be located around the state to facilitate the industry's growth. Local communities have been divided about the environmental damage that salmonid aquaculture could do to their waterways if relocated there. The NGO group Environment Tasmania has been on the forefront opposing aquaculture expansion. Their tactics have included using national media outlets to release underwater video footage of environmental damage near salmon pens; organizing large protests outside of the Tasmanian parliament with the No Fish Farms in Tasmania's East Coast Waters Group; and a strong social media presence. Numerous media outlets across Australia have favoured NGO and community groups rather than the salmonid industry position. For instance, a current affairs program that examined salmon farming practices had such an impact on Tassal that its share prices dropped 9 cents within a couple of days after airing (Australian Associated Press 2016).

Yet, in the midst of this controversy are groups that want salmonid farming expansion, understand the extent of change the industry has undergone, and see the economic potential of such farming for the state of Tasmania. Interestingly the Environment Minister has argued that “community confidence has to be maintained” (Richards 2016). Supporters of the expansion plans argue that the community needs the employment and economic opportunities that a new salmon farm would provide. It is not unusual in the Tasmanian context for contingent consent be given to salmon farms where the communities value economy over environmental impacts (Leith, Ogier, and Haward 2014). At the same time the new development also involves people who value scenic amenity and location and are not dependent on the local economy for their livelihoods. The Bob Brown Foundation which supports this position went to the High Court in April 2018 to invalidate the approval of the Environment Minister to permit salmon farming in Okehampton Bay however, the court dismissed the action (Dunlevie 2018).

Even though Tassal became the first aquaculture company in the world to receive full “gold standard” Aquaculture Stewardship Council (ASC) accreditation for all its sites and won the Australian Business Award for Sustainability, the community has still withheld its SLO. In this case, the NGO and media’s ability to steer the broader community’s perception of the industry was more powerful than the third-party accreditation. Tassal was listed on the Australian Stock Exchange (ASX) in 2003 and now holds 50% of the domestic salmon market. Its major Tasmanian competitor, Huon Aquaculture, listed on the ASX in 2014 and is now undergoing ASC certification. Since its listing Tassal has made a substantial effort in the sector to improve sustainability and environmental performance, including increased transparency of operations. Tassal has embraced CSR policy and sustainability reporting (Tassal Group Limited 2014). Huon Aquaculture, too, has focused on environmental performance and has been involved in conflict with Tassal over aquaculture operations in western Tasmania. The Acting Chief Executive of another salmon producer, Petuna Aquaculture, has argued that the industry needs to rebuild “public confidence and trust.” Publicly listed companies endure more scrutiny from the public, government and shareholders than as private companies. In the case of aquaculture, Vince and Haward (2017b) found that their drive to achieve the highest environmental standards correlated with their ASX listing. Their CSR policies demonstrate that their economic strength is tied to environmental and sustainable practices.

The Tasmanian government is openly supportive of the salmonid aquaculture industry in Tasmania, but it does not have the capacity to deliver the environmental assessments and standards that the ASC can provide. It has changed its policies to reflect community concerns but still keeping industry on side. Industry is also at odds with both the Tasmanian and Commonwealth governments with Huon Aquaculture launching legal action against them over mismanagement of existing fish farms on the west coast (Meldrum-Hanna and Balendra 2017).

Some local communities affected (or those potentially affected) and environmental NGOs are still reluctant to provide their social license for further development of salmonid aquaculture expansion. Memories of past practices that damaged the environment have tarnished the industry’s reputation and these communities have little faith

in or understanding of the new practices. The CEO of Tassal Mark Ryan has stated “I don’t know what more that we can do to actually prove to people that we are doing the right thing” (Ryan 2015). The trust required for collaboration with these groups is clearly not there. Interestingly, the ASC itself has done little to engage with the Tasmanian community or to challenge allegations from Environment Tasmania that “discovered ASC auditors failed to report major breaches of standards by Tassal” (Kelly 2017).

Unlike the Marine Stewardship Council (MSC) where scientific assessments have provided legitimacy and credibility (Vince and Haward 2017a), ASC has faced difficulties with the use of science to foster greater community support in the case of Australian salmonid aquaculture. Scientific assessments have been scrutinized with other aquaculture fisheries discrediting their data and leading scientific enquires from other non-state actors. In addition, Australian consumers are not influenced by ecolabels as accreditation schemes such as the ASC and MSC are not widely known or recognized by the public (Lee 2009). When communities are provided information of ASC accreditation of salmonid aquaculture it does not necessarily sway their influence for or against farming practices or locations.

5. Implementation challenges

It is clear that lack of trust between some key actors is the common element that is a barrier to successful collaboration. The broader community has substantial power due to its ability to grant or withhold social license. NGOs such as the media and environmental groups can influence local and broader community perceptions on these activities despite large efforts by industry to apply environmental and sustainable measures and practices as can be seen in the Australian salmon aquaculture example. Social license can be gained through mutual trust and support, however this can take time to establish – even when the necessary steps are being taken to acquire that trust (Vince and Haward 2017b).

The private-social partnership is an important aspect of hybrid governance and yet it does not guarantee social license if the community does not give the organization and scheme legitimacy. The challenges for implementation can be found when second class standards or corruption of certifiers can alter a community’s ability to trust. Moreover, competing certifiers can undermine existing schemes and lead to their ineffectiveness. Arguably in the Australian case study, NGOs and the media’s influence has been more effective in gaining community support than scientific evidence and third party certification. It is not difficult to see why, when companies in the same industry turn on each other and the state is seen to be “switching sides.” This heightens the challenges for implementation of certification schemes in the Australian context.

Murphy-Gregory (2018) has found that in Australian salmonid aquaculture there are occasions where community based actors are vying for more regulation and bringing the state back into its traditional role, rather than accepting that the highest level of sustainable practices have been accredited by third party certifiers. The state is not necessarily trusted more than a third party certification organization, however,

it can be made accountable for its actions. While accountability in government is not always simple to achieve (Ryan and Walsh 2004), it is a process the broader community is familiar with – it can elect another government, ensure ministerial responsibility and so on. The state also ensures managerial competences where state regulation and a transparent adjudicative system is required to ensure trust and system level legitimacy of third party certifiers is maintained. While the state removes itself from the decision making processes in private–social relationships, if corrupt or ineffective certification schemes are identified, it can regulate through legal proceedings so that relationship is dissolved. Industry accountability, on the other hand, is linked to their CSR policies and shareholder expectations. Industry is also held accountable for their management of these issues through obligations under companies and security legislation. Third party certification organization accountability is more complex and perhaps less transparent to the greater public. However, in most instances, the capacity to be accountable and the capacity of the regulatory system are the Achilles, Heel of certification (Howlett and Ramesh 2016).

The argument that a third party certification organization may be an expert or have the necessary knowledge over government or other groups to assess sustainability practices (Doberstein 2016) does not increase the level of trust. Doberstein (2016) found that diverse knowledge from different actors can transform deliberations and result in productive collaborative governance. However, some level of trust must be acquired to get to that stage. In the case of Australian aquaculture, NGOs and local community groups do not trust the industry and do not accept the certification process as a valid indicator of sustainability practices; and industry and the community do not fully trust the state. Until some compromise occurs, any efforts toward collaborative governance will fail.

Third party certification organizations and schemes have two sets of relationships that must include a level of trust to achieve legitimacy – with industry and with the community. The MSC for example, has had success with community trust particularly in the European and Northern American contexts (Bush et al. 2013; Vince and Haward 2017a). Industry can utilize the certification process as part of their marketing strategies, CSR policies and their commitment to go beyond greenwashing to attain sustainable outcomes. Government regulation can offer guidelines for environmental sustainability but it rarely results in marketability. Although certification schemes are mandatory, the process of being certified is voluntary. Therefore, industry demonstrates its willingness to change its activities rather than being forced to in response to legislation. It is here that hybrid governance challenges and provides opportunities for the actors involved compared with traditional hierarchical governance.

6. Conclusion

Hybrid governance arrangements are becoming more prevalent in the management of natural resources, where third party certification and ecolabeling schemes are increasingly providing an incentive to achieve ecologically sustainable practices. These new actors have challenged state and market social mechanisms, giving industry an opportunity to self-regulate rather than rely on state driven incentives. Third party

certification emerged from state failure and a belief that the market and consumers are able to address such failures. However, these organizations need to secure the trust of industry and the community to engage in meaningful collaboration. Since the ASC is still relatively new (established in 2010), it needs to work on the trust of the community. If trust is absent, this form of collaborative failure can be resolved but it requires effort on the part of all stakeholders.

The experiences of certification in many areas of natural resources management, especially in the Australian salmonid aquaculture case, highlights the opportunities and challenges of hybrid governance and private-social partnerships. The community has the ability to accept or reject market driven initiatives and consequently certification, ecolabeling and CSR policies require its consent. The media and/or NGOs can steer public opinion, and often result in the industry and the state defending their activities. Trust in the certification process in Australia is low and the lack of understanding of the changes required of industry to achieve accreditation is not a deciding factor in establishing this trust. The lack of ASC involvement in the debate with the Tasmanian community has also contributed to this. NSMD initiatives may solve many of the issues that traditional governance cannot, but the challenges private-social partnerships endure raise new and interesting questions about their validity. It is likely that in the future there will be an increase of third party certifiers in governance systems. Their success and longevity will depend on relationship building, trust, mutual goals and community acceptance.

Disclosure statement

No potential conflict of interest was reported by the author.

ORCID

Joanna Vince  <http://orcid.org/0000-0002-4469-7634>

References

- ABARES, Department of Agriculture and Water Resources. 2015. *Australian Fisheries and Aquaculture Statistics 2014*. Canberra: Commonwealth of Australia. <https://doi.org/10.1111/j.1468-2346.2012.01088.x>
- Abbott, K. W. 2012. "Engaging the Public and the Private in Global Sustainability Governance." *International Affairs* 88 (3): 543–564.
- ABC News. 2015. "Tasmanians Salmon Growers Tell Senate Inquiry in Hobart Their Environmental Impact Is Localised." Available: <http://www.abc.net.au/news/2015-07-15/senate-inquiry-into-tasmanian-salmon-farms-to-begin-in-hobart/6620034>.
- Ader, C. R. 1995. "A Longitudinal Study of Agenda Setting for the Issue of Environmental Pollution." *Journalism & Mass Communication Quarterly* 72 (2): 300–311. <https://doi.org/10.1177%2F107769909507200204>
- Alexander, S. M., M. Andrachuk, and D. Armitage. 2016. "Navigating Governance Networks for Community-Based Conservation." *Frontiers in Ecology and the Environment* 14 (3): 155–164. <https://doi.org/10.1002/fee.1251>

- Ansell, C., and A. Gash. 2008. "Collaborative Governance in Theory and Practice." *Journal of Public Administration Research and Theory* 18 (4): 543–571. <https://doi.org/10.1093/jopart/mum032>
- Auld, G. 2010. "Non-State Certification and the Problems of Institutional Fit." Paper presented at the Annula Meeting of the American Political Science Association, Washington DC, September 2–5th, 2010.
- Auld, G., C. Balboa, S. Bernstein, and B. Cashore. 2009. "The Emergence of Non-State Market-Driven (NSDM) Global Environmental Governance." In *Governance for the Environment: New Perspectives*, edited by MA Delmas and OR Young, 183–215. Cambridge: Cambridge University Press.
- Australian Associated Press. 2016. "Tassal criticises TV report as shares fall." Accessed 1 November. <http://www.news.com.au/finance/business/breaking-news/salmon-farmer-tassal-rejects-abc-report/news-story/5331e7162e3146f28b1e0493dfce2c31>
- Bäckstrand, K., J. Khan, A. Kronsell, and E. Lövbrand. 2010. "The Promise of New Modes of Environmental Governance." In *Environmental Politics and Deliberative Democracy: Examining the Promise of New Modes of Governance*, edited by Bäckstrand, K., J. Khan, A. Kronsell, and E. Lövbrand
- Bernstein, S., and B. Cashore. 2007. "Can Non-State Global Governance Be Legitimate? An Analytical Framework." *Regulation & Governance* 1 (4): 347–371. <https://doi.org/10.1111/j.1748-5991.2007.00021.x>
- Boutilier, R. G., L. Black, and I. Thomson. 2012; Nov 20; "Melbourne From metaphor to management tool: how the social licence to operate can stabilise the socio-political environment for business." In: *International Mine Management 2012*, edited by Australian Institute of Mining and Minerals, 227–237. Carlton, Victoria, Australia: Australian Institute of Mining and Metallurgy.
- Bush, S. R., H. Toonen, P. Oosterveer, and A. P. J. Mol. 2013. "The 'Devils Triangle' of MSC Certification: Balancing Credibility, Accessibility and Continuous Improvement." *Marine Policy* 37: 288–293. <https://doi.org/10.1016/j.marpol.2012.05.011>
- Buxton, C. 2015. *Review of the Tasmanian Abalone Council Report on Risks to the Abalone Fishery from Further Expansion of the Salmonid Industry*. Tasmania: Colin Buxton and Associates.
- Cashore, B. 2002. "Legitimacy and the Privatization of Environmental Governance: How Non-State Market-Driven (NSMD) Governance Systems Gain Rule-Making Authority." *Governance* 15 (4): 503–529. <https://doi.org/10.1111/1468-0491.00199>
- Cullen-Knox, C., R. Eccleston, M. Haward, E. Lester, and J. Vince. 2017. "Contemporary Challenges in Environmental Governance: Technology, Governance and the Social Licence." *Environmental Policy and Governance* 27 (1): 3–13. doi:10.1002/eet.1743.
- Doberstein, C. 2016. "Designing Collaborative Governance Decision-Making in Search of a 'Collaborative Advantage.'" *Public Management Review* 18 (6): 819–841. <https://doi.org/10.1080/14719037.2015.1045019>
- Dunlevie, J. 2018. "Bob Brown Vows to Fight on in Face of Salmon Farming Giant Tassal's Okehampton Bay Win." *ABC News*. 12 April 2018. <https://www.abc.net.au/news/2018-04-12/tassal-okehampton-bay-expansion-victory-over-opponents/9644784>
- Edelenbos, J., and I. van Meerkerk. 2017. "Finding Common Ground in Urban Governance Networks: What Are Its Facilitating Factors?" *Journal of Environmental Planning and Management*: 1–17. <https://doi.org/10.1080/09640568.2017.1383232>
- Emerson, K., T. Nabatchi, and S. Balogh. 2012. "An Integrative Framework for Collaborative Governance." *Journal of Public Administration Research and Theory* 22 (1): 1–29. <https://doi.org/10.1093/jopart/mur011>
- Emtairah, T., and O. Mont. 2008. "Gaining Legitimacy in Contemporary World: Environmental and Social Activities of Organisations." *International Journal of Sustainable Society* 1 (2): 134–148.

- Foley, P., and K. Hébert. 2013. "Alternative Regimes of Transnational Environmental Certification: Governance, Marketization, and Place in Alaska's Salmon Fisheries." *Environment and Planning A* 45 (11): 2734–2751. <https://doi.org/10.1068%2Fa45202>
- Gale, F., and M. Haward. 2011. *Global Commodity Governance: State Responses to Sustainable Forest and Fisheries Certification*. Basingstoke: Palgrave Macmillan.
- Gjølberg, M. 2009. "The Origin of Corporate Social Responsibility: Global Forces or National Legacies?" *Socio-Economic Review*. 7 (4): 605–637. <https://doi.org/10.1093/ser/mwp017>
- Gulbrandsen, L. H., and G. Auld. 2016. "Contested Accountability Logics in Evolving Nonstate Certification for Fisheries Sustainability." *Global Environmental Politics* 16 (2): 42–60. https://doi.org/10.1162/GLEP_a_00353
- Gunningham, N. 2009. "Shaping Corporate Environmental Performance: A Review." *Environmental Policy and Governance* 19 (4): 215–231. <https://doi.org/10.1002/eet.510>
- Hartley, J., E. Sørensen, and J. Torfing. 2013. "Collaborative Innovation: A Viable Alternative to Market Competition and Organizational Entrepreneurship." *Public Administration Review* 73 (6): 821–830. <https://doi.org/10.1111/puar.12136>
- Haward, M., J. Jabour, and J. McDonald. 2013. "Small Fish in a Big Pond: Lessons from the Abel Tasman Controversy." *Australian Journal of Maritime & Ocean Affairs* 5 (1): 22–27. DOI: 10.1080/18366503.2013.10815727
- Howlett, M., and M. Ramesh. 2016. "Achilles' Heels of Governance: Critical Capacity Deficits and Their Role in Governance Failures." *Regulation & Governance* 10 (4): 301–313. <https://doi.org/10.1111/rego.12091>
- Huxham, C., S. Vangen, C. Huxham, and C. Eden. 2000. "The Challenge of Collaborative Governance." *Public Management an International Journal of Research and Theory* 2 (3): 337–358. <https://doi.org/10.1080/14719030000000021>
- Kelly, L. 2017. "Misleading Consumers: Tassal, ASC and WWF." Accessed 11 August. http://www.et.org.au/misleading_consumers
- Klijn, E.-H., J. Edelenbos, and B. Steijn. 2010. "Trust in Governance Networks: Its Impacts on Outcomes." *Administration & Society* 42 (2): 193–221. <https://doi.org/10.1177%2F0095399710362716>
- Korthagen, I., and I. Van Meerkerk. 2014. "The Effects of Media and Their Logic on Legitimacy Sources within Local Governance Networks: A Three-Case Comparative Study." *Local Government Studies* 40 (5): 705–728. <https://doi.org/10.1080/03003930.2013.859139>
- Leach, W. D., and P. A. Sabatier. 2005. "To Trust an Adversary: Integrating Rational and Psychological Models of Collaborative Policymaking." *American Political Science Review* 99 (04): 491–503. <https://doi.org/10.1017/S000305540505183X>
- Lee, D. 2009. "Understanding Aquaculture Certification." *Revista Colombiana de Ciencias Pecuarias* 22 (3): 319–329. Available from: <http://www.scielo.org.co/scielo.php?script=sci_arttext&pid=S0120-06902009000300008&lng=en&nrm=iso>. ISSN 0120-0690.
- Leith, P., E. Ogier, and M. Haward. 2014. "Science and Social License: Defining Environmental Sustainability of Atlantic Salmon Aquaculture in South-Eastern Tasmania, Australia." *Social Epistemology* 28 (3–4): 277–296. <https://doi.org/10.1080/02691728.2014.922641>
- Lemos, M. C., and A. Agrawal. 2006. "Environmental Governance." *Annual Review of Environment and Resources* 31 (1): 297. <https://doi.org/10.1146/annurev.energy.31.042605.135621>
- Lester, L. 2016. "Media and Social Licence: On Being Publicly Useful in the Tasmanian Forests Conflict." *Forestry*. cpw015. 89 (5): 542–551. <https://doi.org/10.1093/forestry/cpw015>
- Levi, M. 1997. *Consent, Dissent, and Patriotism*. New York: Cambridge University Press.
- McCombs, M. 2014. *Setting the Agenda: The Mass Media and Public Opinion*. Polity: Cambridge.
- McLaren, E. 2011. *The Standard Dilemma: A Comparative Analysis of Global Salmon Aquaculture Standards*. Canada: Dalhousie University.
- Meldrum-Hanna, C., and J. Balendra. 2017. "Huon Aquaculture Takes Tasmanian Government to Court over Salmon Farming in Macquarie Harbour." *ABC News*. 6 February

2017. <https://www.abc.net.au/news/2017-02-06/huon-aquaculture-lawsuit-tasmania-government-macquarie-harbour/8244330>
- Morrison, J. 2014. *The Social License: How to Keep Your Organization Legitimate*. Springer.
- Murphy-Gregory, H. 2018. "Governance via Persuasion: Environmental NGOs and the Social Licence to Operate." *Environmental Politics* 27 (2): 320–340. <https://doi.org/10.1080/09644016.2017.1373429>
- Naylor, R. L., J. Eagle, and W. L. Smith. 2003. "Salmon Aquaculture in the Pacific Northwest a Global Industry with Local Impacts." *Environment: Science and Policy for Sustainable Development* 45 (8): 18–39. <https://doi.org/10.1080/00139150309604562>
- Owen, J. R., and D. Kemp. 2013. "Social Licence and Mining: A Critical Perspective." *Resources Policy* 38 (1): 29–35. <https://doi.org/10.1016/j.resourpol.2012.06.016>
- Parsons, R., and K. Moffat. 2014. "Constructing the Meaning of Social Licence." *Social Epistemology* 28 (3–4): 340–363. <https://doi.org/10.1080/02691728.2014.922645>
- Potts, T., and M. Haward. 2007. "International Trade, Eco-Labeling, and Sustainable Fisheries – Recent Issues, Concepts and Practices." *Environment, Development and Sustainability* 9 (1): 91–106. doi:10.1007/s10668-005-9006-3.
- Richards, B. 2016. "Primary Industries Minister Jeremy Rockliff Warns Against Salmon Farm Battle." *The Mercury, Hobart, Tasmania*. 12 August 2016
- Ryan, M. 2015. "Tassal CEO Mark Ryan on the Planned Takeover of De Costi Seafoods." In *ABC Rural*, edited by Tony Briscoe. Hobart: Australian Broadcasting Corporation. <https://www.abc.net.au/news/rural/2015-06-05/tassal-acquisition-of-de-costi-seafoods/6524222>
- Ryan, C., and P. Walsh. 2004. "Collaboration of Public Sector Agencies: Reporting and Accountability Challenges." *International Journal of Public Sector Management* 17 (7): 621–631. <https://doi.org/10.1108/09513550410562284>
- Schäferhoff, M., S. Campe, and C. Kaan. 2009. "Transnational Public-Private Partnerships in International Relations: Making Sense of Concepts, Research Frameworks, and Results." *International Studies Review* 11 (3): 451–474. <https://doi.org/10.1111/j.1468-2486.2009.00869.x>
- Siddiki, S., J. Kim, and W. D. Leach. 2017. "Diversity, Trust, and Social Learning in Collaborative Governance." *Public Administration Review* 77 (6): 863–874. <https://doi.org/10.1111/puar.12800>
- Sørensen, E. 2012. "Governance and Innovation in the Public Sector." In: *The Oxford Handbook of Governance*, edited by David Levi-Faur, 215–227. Oxford: Oxford University Press.
- Steuere, R. 2013. "Disentangling Governance: A Synoptic View of Regulation by Government, Business and Civil Society." *Policy Sciences* 46 (4): 387–410.
- Tassal Group Limited. 2014. *Tassal Sustainability Report 2014*. Hobart: Tassal Group Limited.
- Teisl, M. F., B. Roe, and R. L. Hicks. 2002. "Can Eco-Labels Tune a Market? Evidence from Dolphin-Safe Labeling." *Journal of Environmental Economics and Management* 43 (3): 339–359. <https://doi.org/10.1006/jeem.2000.1186>
- Thomann, E. 2017. "The Notions of Regulation and Self-Regulation in Political Science." *Journal of Self-Regulation and Regulation* 3: 55–75. <https://doi.org/10.11588/josar.2017.0.40136>
- Thomson, I., and R. Boutilier. 2011. "The Social License to Operate." In *SME Mining Engineering Handbook*, edited by P. Darling, 1779–1796. Colorado, CO: Society for Mining, Metallurgy, and Exploration.
- Vandergeest, P., S. Ponte, and S. Bush. 2015. "Assembling Sustainable Territories: Space, Subjects, Objects, and Expertise in Seafood Certification." *Environment and Planning A* 47 (9): 1907–1925. <https://doi.org/10.1177%2F0308518X15599297>
- Vangen, S., J. P. Hayes, and C. Cornforth. 2015. "Governing Cross-Sector, Inter-Organizational Collaborations." *Public Management Review* 17 (9): 1237–1260.
- Vince, J., and M. Haward. 2017a. "Certification Schemes and Third Party Accreditation: Hybrid Governance in the Marine and Aquaculture Sector." Third International Conference on Public Policy (ICPP3), Singapore. June 28–30, 2017.
- Vince, J., and M. Haward. 2017b. "Hybrid Governance of Aquaculture: Opportunities and Challenges." *Journal of Environmental Management* 201: 138–144. <https://doi.org/10.1016/j.jenvman.2017.06.039>